



## NEWS RELEASE



For Release: Friday, January 16, 2015

15-61-SAN

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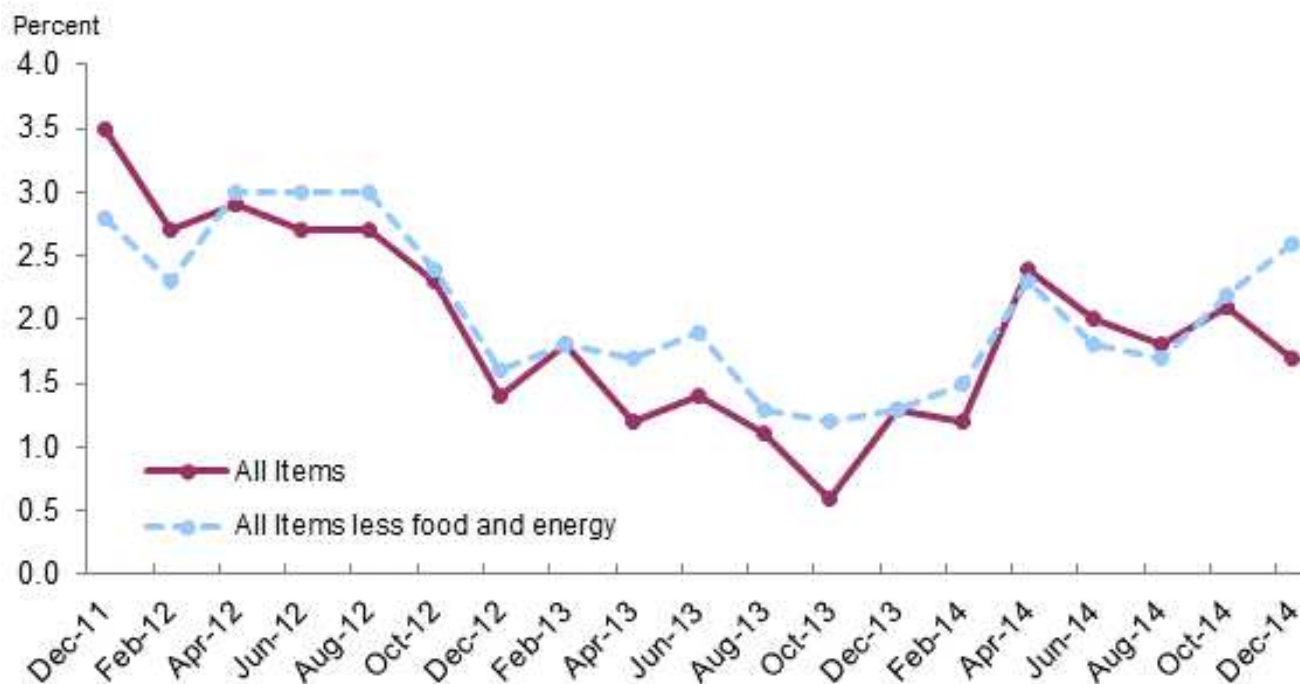
### **Consumer Price Index, Seattle area – December 2014**

**Area prices were down 1.1 percent over the past two months, up 1.7 percent from a year ago**

Prices in the greater Seattle Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), declined 1.1 percent for the two months ending December 2014, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Regional Commissioner Richard J. Holden noted that the December decrease was influenced by lower prices for gasoline, electricity, and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 1.7 percent. (See [chart 1](#).) Energy prices fell 12.3 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 2.6 percent since December 2013.

**Chart 1. Over-the-year percent change in CPI-U, Seattle, December 2011–December 2014**



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices rose 0.7 percent from October to December. (See [table 1](#).) Prices for food at home advanced 1.0 percent, and prices for food away from home increased 0.3 percent for the same period.

Over the year, food prices rose 3.7 percent. Prices for food at home moved up 4.8 percent since a year ago, and prices for food away from home increased 2.2 percent.

### **Energy**

The energy index fell 13.7 percent for the two months ending in December 2014. The decrease was mainly due to lower prices for gasoline (-16.4 percent). Prices for electricity fell 12.2 percent, but prices for natural gas service increased 2.3 percent since October.

Energy prices fell 12.3 percent over the year, largely due to lower prices for gasoline (-13.8 percent). Prices paid for electricity fell 12.0 percent, but prices for natural gas service advanced 1.6 percent percent during the past year.

### **All items less food and energy**

The index for all items less food and energy decreased 0.3 percent in the latest two month period. Lower prices for apparel (-7.9 percent) and education and communication (-1.3 percent) were partially offset by higher prices for household furnishings and operations (1.3 percent), medical care (1.0 percent), and shelter (0.6 percent).

Over the year, the index for all items less food and energy advanced 2.6 percent. Components contributing to the increase included shelter (5.1 percent) and household furnishings and operations (4.4 percent). Partly offsetting the increases were price declines in apparel (-5.8 percent), other goods and

services (-0.6 percent), and education and communication (-0.2 percent).

**Table A. Seattle-Tacoma-Bremerton CPI-U bi-monthly and annual percent changes (not seasonally adjusted)**

Month	2009		2010		2011		2012		2013		2014	
	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual
February .....	1.0	1.4	0.2	0.6	1.2	1.5	0.4	2.7	0.8	1.8	0.7	1.2
April .....	0.5	1.2	0.2	0.3	0.8	2.1	0.9	2.9	0.4	1.2	1.6	2.4
June .....	0.6	-0.4	-0.2	-0.5	0.8	3.2	0.7	2.7	0.8	1.4	0.4	2.0
August .....	-0.1	-0.3	0.7	0.2	0.2	2.7	0.3	2.7	0.0	1.1	-0.2	1.8
October .....	-0.4	0.2	-0.2	0.4	0.9	3.8	0.5	2.3	0.0	0.6	0.3	2.1
December .....	-0.3	1.4	-0.2	0.6	-0.5	3.5	-1.4	1.4	-0.7	1.3	-1.1	1.7

### CPI-W

In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 240.726, down 1.5 percent from October. The CPI-W increased 1.1 percent over the year.

**The February 2015 Consumer Price Index for the Seattle-Tacoma-Bremerton is scheduled to be released on March 24, 2015.**

### Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with

weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Seattle-Tacoma-Bremerton, WA. metropolitan area covered in this release is comprised of Island, King, Kitsap, Pierce, Snohomish, and Thurston Counties in the State of Washington.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsSeattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted)**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
<b>Expenditure category</b>						
All items .....	247.854	-	245.050	1.7	-1.1	-
All items (1967=100).....	755.556	-	747.006	-	-	-
Food and beverages .....	255.312	-	256.888	3.6	0.6	-
Food .....	258.088	-	260.002	3.7	0.7	-
Food at home.....	247.891	247.449	250.476	4.8	1.0	1.2
Food away from home .....	274.364	-	275.267	2.2	0.3	-
Alcoholic beverages .....	222.233	-	220.470	1.9	-0.8	-
Housing .....	265.316	-	265.492	4.0	0.1	-
Shelter .....	295.754	296.160	297.672	5.1	0.6	0.5
Rent of primary residence <sup>(1)</sup> .....	299.349	301.599	302.513	5.9	1.1	0.3
Owners' equiv. rent of residences <sup>(1) (2)</sup> .....	309.846	311.308	312.048	4.6	0.7	0.2
Owners' equiv. rent of primary residence <sup>(1) (2)</sup> .....	309.846	311.308	312.048	4.6	0.7	0.2
Fuels and utilities.....	242.516	-	227.770	-5.2	-6.1	-
Household energy.....	222.046	222.780	201.426	-9.9	-9.3	-9.6
Energy services <sup>(1)</sup> .....	260.811	261.878	235.581	-9.6	-9.7	-10.0
Electricity <sup>(1)</sup> .....	273.320	273.320	239.922	-12.0	-12.2	-12.2
Utility (piped) gas service <sup>(1)</sup> .....	181.431	185.675	185.675	1.6	2.3	0.0
Household furnishings and operations .....	176.461	-	178.728	4.4	1.3	-
Apparel.....	131.034	-	120.679	-5.8	-7.9	-
Transportation .....	225.988	-	211.835	-3.8	-6.3	-
Private transportation .....	234.493	-	219.653	-5.1	-6.3	-
Motor fuel.....	369.406	326.961	309.086	-13.8	-16.3	-5.5
Gasoline (all types) .....	376.308	332.546	314.530	-13.8	-16.4	-5.4
Gasoline, unleaded regular <sup>(3)</sup> .....	413.707	364.293	344.465	-14.0	-16.7	-5.4
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	289.853	258.381	244.783	-13.1	-15.5	-5.3
Gasoline, unleaded premium <sup>(3)</sup> .....	329.894	294.369	278.317	-13.4	-15.6	-5.5
Medical care.....	379.975	-	383.781	0.6	1.0	-
Recreation <sup>(5)</sup> .....	96.519	-	96.168	2.1	-0.4	-
Education and communication <sup>(5)</sup> .....	139.337	-	137.582	-0.2	-1.3	-
Other goods and services .....	400.244	-	397.107	-0.6	-0.8	-
<b>Commodity and service group</b>						
All items .....	247.854	-	245.050	1.7	-1.1	-
Commodities .....	194.579	-	189.795	-1.0	-2.5	-
Commodities less food & beverages.....	163.971	-	156.464	-4.1	-4.6	-
Nondurables less food & beverages.....	198.004	-	184.208	-6.0	-7.0	-

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsSeattle-Tacoma-Bremerton, WA (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
Durables .....	129.225	-	127.952	-1.2	-1.0	-
Services .....	297.855	-	296.774	3.2	-0.4	-
<b>Special aggregate indexes</b>						
All items less medical care .....	241.886	-	238.764	1.7	-1.3	-
All items less shelter .....	230.188	-	225.368	-0.2	-2.1	-
Commodities less food .....	166.491	-	159.202	-3.8	-4.4	-
Nondurables .....	225.673	-	219.095	-0.9	-2.9	-
Nondurables less food .....	200.261	-	187.360	-5.3	-6.4	-
Services less rent of shelter <sup>(2)</sup> .....	308.030	-	303.136	0.9	-1.6	-
Services less medical care services .....	289.029	-	287.833	3.5	-0.4	-
Energy .....	302.738	281.543	261.401	-12.3	-13.7	-7.2
All items less energy .....	247.131	-	246.720	2.7	-0.2	-
All items less food and energy .....	245.515	-	244.719	2.6	-0.3	-

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a November 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.